

Appl. No. 09/976,928

Amdt. Dated Jan. 19, 2005

Reply to Office Action Mailed October 19, 2004

**Amendments to the Specification:**

On page 1, please amend paragraph [0002] as follows:

[0002] Departments of a large organization need to purchase maintenance, repair and operating (MRO) materials such as paper, floppy disks and stationery for daily use. Normally, administrative staff of an organization collate total MRO material requirements of the organization periodically, by collecting purchase requisitions submitted by each department. The purchase requisition of each department is submitted to the administrative staff either in ~~har-decopy~~ hardcopy form or by electronic means such as phone, fax, or e-mail. Generally each department manages its own budget regarding MRO materials, independently of other departments. It is therefore difficult for the administrative staff to collate and organize a variety of MRO material budgets from all departments into an overall MRO material budget for the entire organization. It is particularly difficult for the administrative staff to do so in a timely manner.

On page 2, please amend paragraph [0005] as follows:

[0005] A primary object of the present invention is to provide an expense management system and method which can calculate a total sum of a purchase requisition of a department of an organization, compare the total sum with a surplus budget of the department, ~~and determine~~ and determine how to process the purchase requisition based on the comparison.

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On page 5, please amend paragraph [0018] as follows:

[0018] FIG. 2 shows relationships among modules of the expense management system in accordance with the preferred embodiment of the present invention. In the preferred embodiment, the host 3 comprises a basic information memory module 4, a transaction processing module 5, an inquiring and analyzing module 6, a statistical report module 7, and a system management module 8. The basic information memory module 4 is mainly used to store information about departments of an organization, suppliers, articles needed by the organization, and other related information. [[T he]] The information is stored in master file format. In the preferred embodiment of the present invention, the basic information memory module 4 comprises a department master file 41, a supplier master file 42, an article master file 43, and an other items master file 44.

On page 8, please amend paragraph [0027] as follows:

[0027] FIG. 7 is a flowchart showing operation of the expense management system in accordance with the preferred embodiment of the present invention. When a user wants to find out whether information on a needed article already exists in the basic information memory module 4, he can input on his terminal unit a name and specification of the article and related supplier information. Such information is transmitted to the host 3 via the electronic communications network 2 as shown in step s701 (see also FIG. 1). The expense management system compares the information input by the user with information already stored in the host 3, to determine whether there already is information related to the article to be purchased in the basic information memory module 4. The determination is fed back to the user (step s702). If the determination is that there is no such

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information already in the basic information memory module 4, the result is negative. If the determination is that there already is such information in the basic information memory module 4, [[t he]] the result is positive. In the case of a negative determination, the user needs to input information about the article in the transaction process module 5. Information to be input includes name, specification, and unit price. The information is input in a specific format (step s703). Then the host 3 determines if the input information is both correct and sufficient (step s704). If not, the expense management system informs the user of "invalid information" (step s705). The user must then re-input the needed information; that is, repeat step s703. Once the user has input correct and sufficient information, the expense management system updates information in the basic information memory module 4 automatically (step s706), and information on the article is stored in the basic information memory module 4.